

QDRO PROCEDURES

The State of Delaware
Deferred Compensation Plan

and

The State of Delaware
Match Plan

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The Plan Administrator for the State of Delaware Deferred Compensation Plan and the State of Delaware Match Plan (referred to individually herein as the “Plan” and collectively as the “Plans”) has instituted the following procedures (“Procedures”), effective July 6, 2006, for purposes of processing domestic relations orders it receives and for purposes of complying with applicable laws and Plan provisions. Notwithstanding anything to the contrary herein, if there is any conflict between the provisions of the Plans and these Procedures, the provisions of the Plans shall prevail.

- I. Plan Administrator’s Responsibility.** The Plan Administrator for the Plan is the Office of the State Treasurer, 820 Silver Lake Blvd, Suite 100, Dover, DE 19904. The Plan Administrator is responsible for administering the Procedures. The purpose of the Procedures is to establish reasonable and uniform practices for determining the status of a domestic relations order (an “Order”) and for making distributions pursuant to an Order which qualify under Internal Revenue Code §414(p).
- II. Information Available to Prospective Alternate Payees.** The Plan Administrator shall provide any or all of the following information to a prospective Alternate Payee upon its receipt of a signed, written release from the Participant or a subpoena. Once the Plan Administrator receives the proper release or subpoena, the Alternate Payee can receive the following information regarding the status of the Plan Participant including but not limited to:
 - A.** A booklet explaining the terms of the Plans
 - B.** Relevant Plan documents
 - C.** A statement of the Participant’s benefit entitlements under the Plans.
- III. Procedures After Receipt of Order.** The Plan will apply the following procedures whenever it receives an order which purports to be a qualified domestic relations order (“QDRO”):
 - A. Notice to Participant and to Alternate Payee.** Within twenty (20) days after receipt of an Order, the Plan Administrator will notify the Participant and the Alternate Payee (and, upon written request of the Participant and/or Alternate Payee, to the Participant’s and/or Alternate Payee’s legal representative, if the legal representative is identified by name and address in writing) of the receipt of the Order, and will deliver to the Participant and to each Alternate Payee (and to

the Participant's and/or Alternate Payee's legal representative, as applicable) a copy of these Procedures.

- B. Suspension of Participant Distributions.** Upon receipt of the Order, the Plan Administrator will suspend the Participant's right to receive a distribution on account of unforeseeable emergency under the State of Delaware Deferred Compensation Plan during the time of review, but only as to such amounts that would otherwise have been paid to the Alternate Payee. If the Participant is receiving benefits or may commence to receive benefits from the Plan or Plans at the time of receipt of the Order, the Plan Administrator will suspend distributions to the Participant to the extent the Plan Administrator deems necessary to comply with the Order. Suspended payments should be separately accounted for while the Plan Administrator is making its determination.
- C. Notice to Legal Counsel.** The Plan Administrator, within twenty (20) days after receipt of the Order, may send a copy of the Order to the Delaware Department of Justice for review.
- D. Review of Order.** The Plan Administrator will review the Order within a reasonable period of time to determine whether the Order complies with applicable law and Plan provisions. Under most circumstances, the Plan Administrator will complete review of the Order within sixty (60) days of receipt. After review, the Administrator will determine whether the Order is a QDRO.
- E. Determination That Order is a QDRO.** If the Plan Administrator determines the Order is a QDRO:

 - 1. The Plan Administrator will notify the Participant and each Alternate Payee (and his/her legal representative, as applicable) that the Order is a QDRO and the Plan will make distribution pursuant to the QDRO.
 - 2. If the QDRO requires immediate payment, the Plan will pay the designated benefits as soon as administratively feasible following receipt of the election forms completed by the Alternate Payee, but no earlier than the earlier of (i) 45 days after the Plan Administrator's final determination (*see* Section III. E. 6 and Section IV. J. below) or (ii) a reasonable period after receipt of the executed appeal waiver described in Section IV. J below.
 - 3. If the QDRO specifies a determination date, payment of any amount the QDRO requires the Plan to pay during the determination period will include a pro rata share of the earnings, gains and losses in the Participant's Accounts unless otherwise specified in the QDRO.
 - 4. The Plan Administrator will direct the Trustee to maintain a separate accounting (which may include a segregated account) for each Alternate Payee until the Plan has completed distribution of benefits under the QDRO.

5. The Alternate Payee shall be entitled to file with the Plan a beneficiary designation in the same manner as a Participant in the Plan with respect to the Alternate Payee's assigned benefit in the Plan as established by the QDRO, unless the QDRO specifically provides otherwise.
6. The Participant has the right to appeal the determination by the Plan Administrator that the Order is a QDRO by filing a written notice of appeal with the Plan Administrator within 45 days of the Plan Administrator's final determination.

F. Determination That Order is not a QDRO. If the Plan Administrator determines the Order is not a QDRO:

1. The Plan Administrator will advise the Participant and each Alternate Payee (and the Participant's and Alternate Payee's legal representative, as applicable) of the adverse decision and of the reasons for the adverse decision.
2. If the Plan Administrator determines the parties are not attempting to correct any deficiencies in the Order, the Plan Administrator will lift the suspension on distributions made pursuant to Section III.B. herein. The Plan will begin or continue paying any benefits to which the Participant (or his/her beneficiary) may be entitled. In the case of the State of Delaware Deferred Compensation Plan, any suspension on distributions on account of unforeseeable emergency will be lifted.

IV. General Policies Pertaining to QDROs

- A. Definition of Alternate Payee.** For purposes of processing domestic relations orders, Alternate Payee shall mean the definition under Section 414(p) of the Internal Revenue Code as a "spouse, former spouse, child or other dependent of a participant" who is recognized by a valid domestic relation order as having a right to receive all, or a portion of, the benefits payable under the Plans with respect to such Participant.
- B. Requirements for a QDRO.** An Order shall be determined to be a QDRO only if it is an original or certified copy of a court judgment, decree or order (including a court-approved property settlement agreement) which relates to the provision of child support, alimony payments or property rights to a spouse, former spouse, child or other dependent of a Participant made pursuant to a state domestic relations law. The Order must be signed and dated by the presiding judge or other official authorized by state law to sign such Orders. Additionally, the Order will be determined to be a QDRO only if:
 1. It clearly specifies the name and last known mailing address of the Participant and the name and mailing address of each Alternate Payee covered by the Order.

2. It clearly specifies the amount or percentage of the Participant's benefits to be paid by the Plan to each Alternate Payee or the manner in which such amount or percentage is to be determined.
 3. It clearly specifies the period to which such Order applies.
 4. It clearly specifies each Plan to which such Order applies.
 5. It does not require the Plan to provide any form of benefit or any option not otherwise provided under the Plan.
 6. It does not require the payment of benefits to an Alternate Payee, which are required to be paid to another Alternate Payee under another order previously determined to be a QDRO.
 7. It meets other requirements in the law or the Plan.
- C. Written Agreements.** In the event of an ambiguity or defect in an Order that would otherwise constitute a QDRO, the Plan Administrator may resolve the ambiguity by written agreement of the Participant and the Alternate Payee (and their legal representatives, as applicable).
- D. Consultation with Legal Counsel.** The Plan Administrator will consult with the Deputy Attorney General in case of questions which arise with respect to the interpretation of any provision of the Order or with respect to the qualified status of the Order.
- E. Earnings, Gains and Losses.** If the Order is silent regarding the calculation of earnings, gains and losses on an assigned benefit, then the Plan will include earnings, gains and losses on the Alternate Payee's assigned benefit as of the date specified in the Order, or, if a date is not specified in the Order, as of the date the Order was issued.
- F. Allocation of Funds.** If the Order is silent regarding the allocation of funds to the Alternate Payee, the Alternate Payee's assigned benefit will be comprised of a pro rata share of each of the assets in the Participant's Account(s).
- G. Assignment Dates.** The use of a retroactive assignment date for any Order received is limited to the date that Fidelity Investments became the investment provider under the Plan.. In the event that a submitted Order for the Plan contains an assignment date that is prior to September of 1999, such Order cannot be qualified under the Plan.
- H. Payment.** In the event that the Order does not specify when payment is to be made, the Plan will create an account for the Alternate Payee and provide distribution forms for the Alternate Payee to elect when payment will be made.

- I. Social Security Numbers.** The Plan requires that all final QDROs include the social security number of both the Participant and the Alternate Payee.
- J. Appeal Period.** The State of Delaware has a 45-day appeal period that applies to all “final” determinations made by the Plan Administrator. As such, a distribution to the Alternate Payee under the Plan cannot occur earlier than (1) the date that the 45-day appeal period expires (i.e. 45 days from the date of the “final” determination), or (2) the date that the Plan Administrator receives a signed appeal waiver from both the Participant and the Alternate Payee.
- K. Address Changes.** The Alternate Payee must keep the Plan(s) informed of any address changes.